THE PROVINCE OF ALBERTA

COAL CONSERVATION ACT

ENERGY RESOURCES CONSERVATION BOARD

IN THE MATTER of a surface coal mine site of Luscar Ltd. in the Coal Valley Area

CANADIAN

PERMIT NO. C 92-11

WHEREAS Luscar Ltd. is the holder of Permit No. C 89-2 authorizing development of a surface coal mine site in the Coal Valley area; and

WHEREAS the Energy Resources Conservation Board is prepared to grant Application No. 901469 by Luscar Ltd. registered on 11 October 1990 for an amendment of Permit No. C 89-2 to include the East Extension; and

WHEREAS the Board considers it desirable that Permit No. C 89-2 be revised and consolidated and that a new permit be issued; and

WHEREAS the Minister of the Environment has given his approval, hereto attached, insofar as the application affects matters of the environment; and

WHEREAS the Lieutenant Governor in Council has given approval by Order in Council, numbered O.C. 339/92 dated 27 May 1992.

THEREFORE, the Energy Resources Conservation Board, pursuant to the Coal Conservation Act, being chapter C-14 of the Revised Statutes of Alberta, 1980, hereby grants to Luscar Ltd. (hereinafter called "the Permittee") a PERMIT to develop a surface coal mine site in the Coal Valley area, subject to the provisions of the Act and regulations and orders pursuant thereto and to the following terms and conditions:

- 1. The mine site shall continue to be known as the Coal Valley Mine Site and be designated as Mine No. 1778.
- 2. This permit shall apply to 6400 hectares, more or less, in Townships 46, 47 and 48, Ranges 19 and 20, West of the 5th Meridian, as shown in Appendix A hereto attached.
- 3. Subject to other provisions of this permit, all mining and related operations shall be in accordance with the applications of the Permittee to the Board, as follows:

Application No. 8494 registered on 17 March 1975

Application No. 810853 registered on 27 October 1981

Application No. 881187 registered on 11 July 1988

Application No. 901469 registered on 11 October 1990

- 4. The Permittee shall advise the Board of any significant modifications to the development plan and obtain its approval prior to effecting such modifications.
- 5. The Permittee shall carry out its operations to the satisfaction of the Board, and in a manner that
 - (a) will result in the mining of all practical and economic coal within the permit area,
 - (b) will not preclude or render more difficult the recovery of other coal recoverable by practical and reasonable operations, and
 - (c) will facilitate land reclamation.
- 6. Each mining area and external discard site within the permit area shall be individually licensed by the Board prior to the commencement of any mining activity.
- 7. The Permittee shall, as soon as practicable, advise the Board and provide a preliminary assessment of any incident or accident affecting or having the potential for affecting safety or the environment and being attributable to design features or operational methods which are subject to the approval of the Board.
- 8. The approval of the Minister of the Environment is attached hereto as Appendix B, and this permit is subject to the terms and conditions therein contained.
- 9. (1) Attached hereto as Appendix C, and made part of this permit, is the order of the Lieutenant Governor in Council authorizing the granting of this permit.
- (2) This permit is subject to the terms and conditions, if any, prescribed by the order of the Lieutenant Governor in Council set out in Appendix C.
- 10. Permit No. C 89-2 is rescinded.
- 11. The Board may
 - cancel or suspend this permit, in whole or in part, for failure of the Permittee to comply with any provisions of the Act, the regulations or the terms and conditions set out herein; or
 - (b) amend this permit or make such other orders as it thinks appropriate under the circumstances.

MADE at the City of Calgary, in the Province of Alberta, this 22nd day of June 1992.

APPENDIX B TO PERMIT NO. C 92-11

Department of the Environment

MINISTERIAL APPROVAL

No. 92-32

Edmonton, Alberta 27 May 1992

Pursuant to Section 21(1) of the Coal Conservation Act, I, Vance A. MacNichol, Deputy Minister of the Environment, hereby approve applications from Luscar Ltd. to the Energy Resources Conservation Board identified in Clause 3 of the Energy Resources Conservation Board Permit No. C 92-11, in the matter of the development of a surface coal mine site, insofar as it affects matters of the environment, subject to authorizations pursuant to the Water Resources Act and to the terms and conditions prescribed in

Clean Water Act Licence No. 92-WL-037,

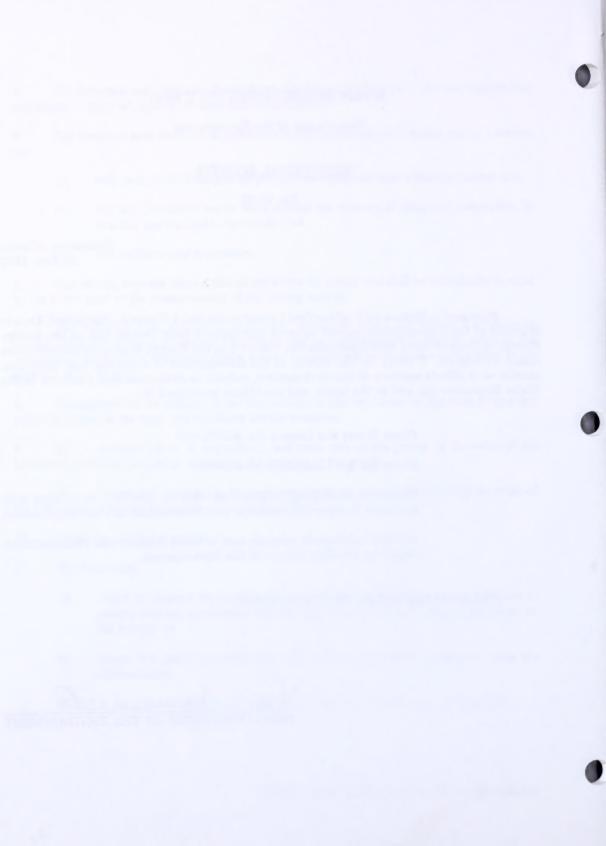
Clean Air Act Licence No. 88-AL-307,

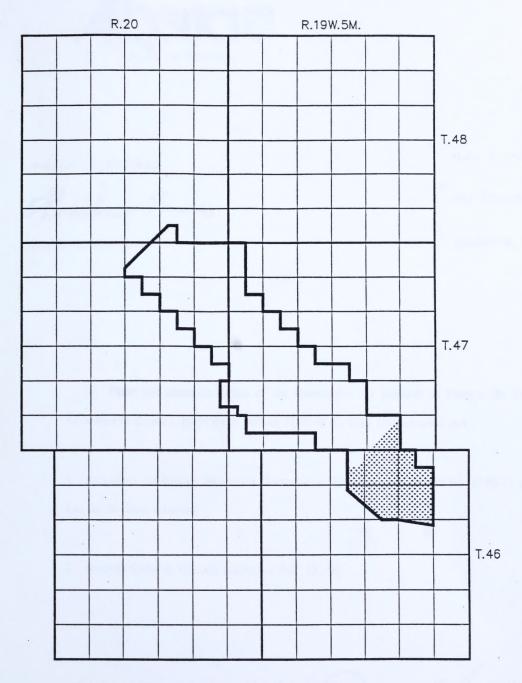
Development and Reclamation Approval No. C-4-76 in accordance with the Land Surface Conservation and Reclamation Act and Regulations,

and any subsequent amendments to these licences and authorizations, issued by the Department of the Environment.

Ministerial Approval No. 89-41 is rescinded.

DEPUTY MINISTER OF THE ENVIRONMENT

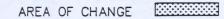




LUSCAR LTD-COAL VALLEY AREA

APPENDIX A TO PERMIT NO. C 92-11

ERCB



PREVIOUS PERMIT NO. C 89-2

LEGEND

PERMIT BOUNDARY MINE NO. 1778



APPROVED AND ORDERED,

LIEUTENANT GOVERNOR

O.C. 339/92

May 27, 1992

EDMONTON, ALBERTA

Upon the recommendation of the Honourable the Minister of Energy, the Lieutenant Governor in Council, pursuant to section 21(3) of the Coal Conservation Act,

- 1 authorizes the Energy Resources Conservation Board to grant Permit No. C 92-11 to Luscar Ltd. in the form attached;
- 2 rescinds Order in Council numbered O.C. 152/89.

CHALRMAN

